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*ADMITTED IN N.Y. & CT
**ADMITTED IN N.Y. & N.J.
ΔADMITTED IN N.Y. & MA.

April 26, 2007

Facsimile and First Class Mail

Facsimile No.: (973) 992-9125

Keith R. McMurdy, Esq.
Grotta, Glassman & Hoffman, P.A.
75 Eisenhower Parkway
Roseland, New Jersey 07068

**Re: Fred Smit, as Chairman of the Board of Trustees of Teamsters Local
445 Freight Division Pension Fund v. Mid-Hudson Steel Corp.
Our File No. 03-7418**

Dear Mr. McMurdy:

We represent Teamsters Local 445 Freight Division Pension Fund (the "Fund") in the above-referenced matter. By our December 21, 2004 letter, the Fund advised Mid-Hudson Steel Corp. ("MSC") that, in or about August 2004, it completely withdrew from the Fund. MSC's complete withdrawal was in accordance with the Employee Retirement Income Security Act ("ERISA") § 4203, *et. seq.*, as amended by the Multiemployer Pension Plan Amendments Act ("MPPAA"). Based on its complete withdrawal, and as prescribed under MPPAA § 4211, the Fund's actuaries determined that MSC owed withdrawal liability in the total amount of **\$300,296.56**.¹ Further, the statutory scheme underlying the MPPAA obligates MSC to "pay now and dispute later" any

¹ The Fund reserves the right to adjust, amend, or revise MSC's initial withdrawal liability amount or assess additional withdrawal liability against MSC and any trades or businesses which may be under common control with MSC in the event, but not limited to, the Fund declares a mass withdrawal, either because the Fund terminates by withdrawal of every contributing employer of Fund, or withdrawal of substantially all of the Fund's contributing employers pursuant to an agreement or arrangement to withdraw in accordance with MPPAA § 4219(c)(1)(D).

Keith R. McMurdy, Esq.

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April 26, 2007

challenge it may claim against the withdrawal liability assessed by Local 445 Pension Fund.²

Late-Payment Notice

Please be advised that this letter serves as a late-payment notice to MSC for its overdue withdrawal liability payment. MSC failed to remit payment in full of its total withdrawal liability remaining due or remit its twenty-seventh (27th) monthly installment payment in the amount of \$2,817.70 due March 31, 2007. MSC is now overdue in paying its withdrawal liability. Accordingly, MSC shall be in statutory default if it fails to remit payment in full of its total withdrawal liability remaining due or remit its twenty-seventh (27th) monthly installment payment in the amount of \$2,817.70 within sixty (60) days after receiving this late-payment notice letter. In addition, MSC's failure to pay its withdrawal liability remaining due as prescribed herein shall entitle the Fund to demand from MSC "immediate payment of the outstanding amount of the withdrawal liability, plus accrued interest on the total outstanding liability from the due date of the first payment which is untimely paid."

We rely on your prompt response.

Very truly yours,



William F. Cusack III

WFC:aa

cc: - Douglas McCauley, Fund Chairman (Via First Class Mail)
Sharon Molinelli, Fund Administrator (Via First Class Mail)
David Kramer, Esq. (Via Hand Delivery)

F:\APPLICATIONS\WPTEAM\MSTER\Mid Hudson Steel Corp\Withdrawal Liability\Letters\I-McMurdy.Default 04.26.07 wpd\dp

² *Bay Area Laundry and Dry Cleaning Pension Trust Fund v. Ferbar Corp. of Cal., Inc.*, 522 U.S. 192, 197, 118 S. Ct. 542, 139 L. Ed. 2d 553 (1997); *Amalgamated Ins. Fund v. Steve Petix Clothier Inc.*, 2004 U.S. Dist. LEXIS 418, *9 (S.D.N.Y. 2004).

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FACSIMILE TRANSMITTAL SHEET

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TO:		FAX NUMBER:	
1) Keith R. McMurdy, Esq.		(973) 992-9125	
2)			
3)			
4)			
FROM: William F. Cusack, Esq.	DATE: April 26, 2007	NO. OF PAGES: 3 (including cover sheet) Time:	CLIENT/MATTER: <i>Teamsters Local 445 Freight Division Pension Fund and Matter of Withdrawal Liability of Mid-Hudson Steel Corp.</i> Our File No. 03-7418
COMMENTS:			

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